







## Sprinkling SALT on Congress

What is to be made of Mr. Nixon's assertion to the Russians—revealed only as he submitted the SALT agreements to Congress—that the United States might withdraw from the treaty limiting defensive weapons if further cuts are not negotiated on offensive weapons within five years? On its face, it is meaningless. No one can know what the shape of great-power relations will be in 1977, or who will be in the White House or the Kremlin. In the almost inconceivable event that the Soviet Union found a way and a reason to threaten all American land-based missiles simultaneously, the United States would still retain the most effective part of its deterrent, the invulnerable missile-carrying submarines, to say nothing of the missile-carrying bombers. A Soviet refusal to put tighter limits on offensive weapons would alarm Washington, but no more than an American spurt in building new weapons—even those permitted by agreement—would alarm Moscow. Any way, no conceivable American progress on ABMs could nullify the Soviet deterrent. Moscow surely knows that.

\* \* \*

The real explanation of the President's threat to haul out of the ABM treaty must be elsewhere. We would look first to his belief, updated in his talk to legislators at the White House Thursday, that pressure must be put on the Russians to assure success in the second round of SALT. But where is the confirmation that such pressure worked in the first round? Even while hailing the SALT results, Henry Kissinger conceded in Moscow that the American bargaining position had been "rather complex...not brilliant"; that is, the United States was trying to leash Soviet growth in categories (ICBMs and subs) in which the United States had no momentum at all. Ahead, no matter who occupies the White House next June, lies a period in which popular longings for reduced tensions will

THE WASHINGTON POST.

## Sorry or 'So Sorry'?

Despite Henry Kissinger's helpful visit to Japan, relations of confidence and trust between Washington and Tokyo are not likely to be quickly revived.

Mr. Kissinger's apology in Tokyo for last year's "Nixon shocks" on China and economic policy was the essential first step. He has been blamed in Japan even more than Mr. Nixon for these moves. But important as it was for Mr. Kissinger to say he was sorry, it is even more important to prove he is not saying "so sorry." Nothing would be worse than a diplomatic apology that concealed an intention of continuing a China-first policy in place of the country's Japan-first policy in Asia.

The balance of power, not the balance of trade and payments, was at the center of his discussions. In military affairs, Mr. Kissinger said, there are still two superpowers, the United States and the Soviet Union; a nuclear Japan is certainly not favored, nor is Japan expected to play a military role in Asia apart from the conventional defense of the Japanese islands. Secretary Laird's contrary suggestions, going as far as to propose a Japanese fleet in the Indian Ocean, thus were repudiated.

The next Japanese government, after

THE NEW YORK TIMES.

## Unpredictable Court

It is already clear that the Supreme Court under Chief Justice Burger has an orientation quite different from the court under Chief Justice Warren. But the court retains a rugged quality of unpredictability that defies efforts to put it in any rigid ideological mold. This quality has just been reflected in the court's ruling that no person may be jailed for a petty offense without the right to free counsel.

With only Justice Lewis F. Powell Jr. and William H. Rehnquist dissenting, the court has thus greatly extended the constitutional right to free counsel, first guaranteed to poor defendants in felony trials by the historic ruling of *Gideon v. Wainwright*. The new ruling, written by Justice William O. Douglas, offers the same protection to any person even if he faces only a brief jail sentence.

In another ruling, however, the court moved conservatively in the direction of "law and order." It went beyond a 1968 decision which gave to police the authority to "stop and frisk" dangerous-looking per-

THE NEW YORK TIMES.

## In the International Edition

### Seventy-Five Years Ago

June 19, 1897

PARIS—The environs of Paris were visited by a cyclone such as is fortunately seldom seen in this country and which, besides causing three deaths and injuries to nearly fifty people, has wrought immense destruction to property. Andries and Bois-Colombes suffered most severely but considerable damage was also done to Saint-Denis. Paris itself escaped damage, but the unusually heavy downpour of rain was sufficient indication of disturbed meteorological conditions.

### Fifty Years Ago

June 19, 1922

BOSTON—After diligent searching of the law books, Police Commissioner Bailey has notified the patrolmen of the metropolitan district that he knows of no law to prevent women smoking in public on the beaches under control of the State. A day or two ago policemen noticed three young women smoking cigarettes as they strolled along the beach. He stopped them, chastised them and when he threatened to arrest them, they simply laughed and offered him a cigarette for himself.



## To the Finland Station?

By C. L. Sulzberger

BRUSSELS.—Perhaps nothing better symbolized the cockeyed conditions of our present world than the following juxtaposition of known facts: The Soviet Union sincerely desires a European security conference to be followed by a formal East-West agreement. It is prepared to pay for the latter ratification of Europe's existing borders by some kind of separate mutual balanced force reduction (the famous MEPR) of the NATO and Warsaw Pact armies.

At the same time, Western intelligence knows—and has confirmed from defectors—that the basic Soviet war plan would aim, in case of conflict, at occupying the entire Atlantic and Channel coast line of West Europe within two weeks. It would then spend a further two weeks mopping up, assuming all this could be done by conventional weapons plus small tactical nuclear arms and that an all-out holocaust exchange with the United States could somehow be dodged by the balance of terror.

On the one hand, we know that the Russians have developed and built enormous new supersonic delta-wing bombers, which have been photographed, as well as 8,000-ton (surface weight) atomic submarines, larger than anything in the U.S. Navy. On the other hand, we know that the Soviet generals oppose any talk of MEPR—but have been overruled by the Kremlin.

That Japanese move was the welcome that greeted Mr. Kissinger as he arrived in Tokyo on his much-delayed "unofficial" visit. He had no hope of reversing it although he evidently did convince Japan's leaders that he was not anti-Japanese. He improved the atmosphere by announcing Emperor Hirohito's projected visit to the United States, presumably as a preliminary to an American presidential visit to Japan next year. But the real work of re-establishing a solid alliance still lies ahead.

THE NEW YORK TIMES.

defense, calculated in real terms, has declined 3.6 percent during the same period.

This worries NATO's leaders. They already know that 11,000 allied tanks face 17,000 Warsaw Pact tanks in Europe and that within two months of any war's start the former figure could be raised only to 13,500, while the latter would jump to 36,000. However, if the Soviet war plan mentioned had been successful, these statistics would be meaningless anyway.

The Western alliance is therefore jittery about how fast and how far to move toward arms reduction, while its populations are jittery about failure to move at all. The voters want comfort more than protection; their governments worry about letting off the balance of terror.

Both West and East are edging toward some kind of slowdown in the arms race and a formalized easement of tension. Yet the pace is nearer the tortoise's than the hare's. Caution is the key word. Joseph Luns, the immense

defense minister who heads NATO as secretary-general, warns: "If the NATO countries, in anticipation of MEPR or detente, should first reduce their own defenses, this would jeopardize the chances of detente and end the chances of MEPR. Why? Simply because a unilateral Western decrease in arms removes all reason for the Russians to make concessions of their own. If they can get something for nothing, why should they pay for it?"

The Western alliance is therefore jittery about how fast and how far to move toward arms reduction, while its populations are jittery about failure to move at all. The voters want comfort more than protection; their governments worry about letting off the balance of terror.

Both the evidence, though not yet complete, points in another direction. It suggests a supreme company man who allowed himself to be made the scapegoat for a massive, sophisticated and systematic stretching of presidential orders by the military commands in both Washington and Vietnam.

The official version of the case is relatively simple. In the four-month period between Nov. 8, 1971, and March 8, 1972, 147 planes carried out 23 missions over North Vietnam, and that went beyond the standing order to bomb only after being fired upon or locked by enemy radar.

As soon as the sergeant's letter surfaced, the higher-ups knew without investigating what the trouble was. Accordingly they moved with unwonted speed, the kind of speed they reserve for such occasions, to cover up evidence.

On top of that, there is the treatment accorded Rep. Otis Pike, the New York congressman who has forced the issue to the House Armed Services Committee, said that his practice of hitting the enemy first and then calling it "protective reaction" was widely known in Vietnam. He asserted that the commanding general in Vietnam, Creighton Abrams, was aware of the practice.

Then there is a curious set of developments that took place on March 8—the day the first evidence of the bombing excess was supposedly made known to Gen. Ryan. On that very day in Vietnam, the Air Force suddenly stopped giving detailed briefings of raids over North Vietnam.

Maybe that's just coincidences. But a more likely explanation is that Air Force headquarters at the Pentagon was at least dimly aware of the violations for a long time.

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areas gradually become "Finlandized." What they mean is neutralization, and exposure to Soviet threats.

Obviously nothing like that could happen for years. However, no responsible alliance minister wants to risk moving unconssciously past a point of no return as detente settles in. One cardinal point has nevertheless been settled by Mr. Nixon's recent Moscow visit.

This is that both Russia and America now legalize espionage by acknowledging they can check on each other's arms and disarming programs, with the cameras of their space satellites. If they could devise means of simultaneously exploring each other's minds, would that help or hinder peace?

### Fight Expected

Failing that, what will they do in Miami?

What they will do is fight the old war by the credentials committee, of course. But primarily they will fight over the platform.

And that is what we Republicans want to see. Hour after hour of it on national TV.

How about a raging floor fight on the question of permissive abortion vs. compulsory abortion? I suppose I'd want, under the circumstances, permissive abortion to win out, but I'd want the victory to be narrow. A real squeaker.

Or how about a demand by the leader of the Massachusetts delegation, who for all we know is only a year or two older than Shirley Temple when she discovered the good ship Lollipop, delivering a rousing call for free marijuana? Why should marijuana go only to the privileged few? Those who make use of tax loopholes? Those landowners who have the wherewithal to grow grass? Those super-educated who alone can afford to buy catalogues telling them how to grow it? Who says marijuana should be smoked only by people who can read instructions?

As regards foreign policy, why not get somebody to stand up and say that the time has really come to close down on tax loopholes. I can hear it now: Stop the tax exemption for the United Jewish Appeal!

Secretary Laird has testified that to adopt the defense budget proposed by George McGovern would be quite mad. Instead of spending the proposed \$60 billion a year on defense, said Mr. Laird, we might just as well spend one billion to buy white flags which we could host all over the world. Surely, in endorsing this proposal, a McGovern delegate could insist that a billion dollars for white flags is a typical military-industrial extravagance. White flags shouldn't cost that much money. Are the Republicans suggesting that they all be loomed on Sen. Eastland's plantation?

### Likely Scenario

That, as I say, is the likely scenario if the delegates caught up in mounds of movement involving the naming of a candidate. That is why, if I were George McGovern, I'd be spending my time urging Hubert Humphrey to stay in the race and to try to make a tough fight out of it. Already we have seen that Humphrey's resolution has gone to the point of publicly considering the possibility of George Wallace as a running-mate. A complementary gesture, by George McGovern, would be the public consideration of Shirley Chisholm. His failure to do so suggests to me that at this moment what he desires least is to overwhelm Hubert Humphrey, and now we all know the reasons why.

obliged to return to the issue in a second statement on the floor the next day.

On two occasions, very high officials in the Pentagon intervened to muzzle Mr. Pike. Once, it seems, Gen. Ryan offered to give him the true facts providing Pike kept them to himself. Pike refused.

On a second occasion, it seems, Defense Secretary Melvin Laird offered to give Pike the true story provided Pike kept it off the record. Pike again refused.

Finally and most importantly, there is the demand and personality of Gen. Lavelle. Nothing in his background suggests the one-man operation; everything points towards the conformist. He came up in the Air Force as a manager rather than a hot pilot. He is a non-West Pointer who has apparently always wanted to be a West Pointer.

At the hearing, his attitude towards what he had done was unconvincing, and he seemed to be on the best of personal terms with Gen. Ryan, the man who hammered him. At one point Gen. Lavelle said that he would do it just the same if he had to do it all over again.

**Tacit Consent**

From this evidence, my own sense is that Hanoi began preparing for its spring offensive, there was throughout the Vietnam command a growing disposition to hit the building in North Vietnam. Many strikes that went beyond the strict orders of "protective reaction" were probably carried out with the tacit consent of the brass in Washington and Saigon.

When the violation of orders became known, the instinct of the system was to find a scapegoat. Gen. Lavelle, loyal to the Air Force all the way, stepped forward.

If that interpretation is correct, it suggests that the problem of controlling the military is no mere matter of enforcing discipline on a few Hotspur. It involves the far more difficult task of bending to the cruel logic of a limited war, a vast, highly organized and impenetrable bureaucracy that does not understand or, in its heart, accept the limits. It is an almost impossible task which is one more reason why the country needs to be out of Vietnam.

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## What the GOP Wants From Democrats

By Wm. F. Buckley Jr.

NEW YORK—They talk about stopping George McGovern, and who knows, they may succeed in getting William Scranton to present himself at Miami to spearhead the effort. But let's face it, it isn't going to work. But between you and me, I hope that the effort itself to stop McGovern fails, and here are my labyrinthine reasons why.

Well over one-half of the people going down to Miami are quite conventional Democrats, decent, law-abiding, patriotic New Dealers. But about one-third of them are political Hell's Angels bound and determined to rip off tradition, the Constitution, the whole thing. These are young people who have burned with enthusiasm for George McGovern for months, some of them for over a year. They have undergone the most extraordinary privations in order to bring out the vote for McGovern. Some of them have even forgone fornicating in public places, such as being the fever of their dedication, making their predecessors who resolved merely to be clean for Gene summer pilgrims by comparison.

Now this army of zealots doesn't want to arrive in Miami and find nothing to do, no walls to push against, nothing to set their ideological passions. They need a good fight, a good victory. They need to crush, let me say, a last minute attempt by Hubert Humphrey to take the nomination away from George McGovern. Or they may need a dark horse to vanquish; a desperate move, say, to give the nomination to an establishmentarian dreamboat: an Earl Warren Jr. type.

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## Miss Devlin Makes Appeal To Provisionals for Truce

BELFAST, June 18 (AP).—Civil rights militant Bernadette Devlin today appealed to the Provisional wing of the Irish Republican Army for a seven-day halt to violence amid reports of a split among leaders of the outlawed guerrilla group.

Both the Dublin and London-derry headquarters of the national Provisional wing heatedly denied reports of a division among its top ranks.

Miss Devlin, 24, the youngest member of the British Parliament and a longtime backer of the Provisionals' campaign of violence to oust the British from Northern Ireland, launched her appeal in an interview over the Irish state radio network.

These political developments came as bombings continued in Ulster. In Lurgan, near Belfast, a bomb exploded inside a house being searched for arms. Three soldiers were killed and six wounded two of them critically.

A pair of bombs exploded within seconds of each other, destroying the Victoria Mill Weaving Co. plant in Belfast. There were no injuries.

Widespread reports of the Provisional split were published in both Dublin and Belfast newspapers today. They said David O'Connell, chief tactician of the Provisional IRA, was taking over in a policy dispute from the organization's chief of staff, Sean MacStiofain.

But Mr. O'Connell telephoned the British Broadcasting Corp. to deny the news.

### Pressure Increased

Miss Devlin's appeal to the IRA, however, appeared to indicate a dramatic step-up in pressure on the Provisionals to join the IRA's other wing, the Marxist Official group, in calling a ceasefire, even if limited.

The officials called an indefinite truce to violence last month in response to a growing chorus of appeals from Roman Catholics in Belfast and Londonderry.

Miss Devlin said she was not asking the Provisionals to cease all opposition to British rule, but for "a seven-day nonretaliatory period" during which they could again present their demands to

## U.S. Pledges To Attempt to Desalt River

KEY BISCAYNE, Fla., June 18 (AP).—The United States agreed yesterday to try to cut down the salt content of water from the Colorado River going into Mexico.

The United States also agreed to give \$1.5 million to Mexico to combat the illicit narcotics traffic and to undertake a study of the economic, social and political factors concerning migratory Mexican workers.

The agreements were outlined in a joint communiqué after two days of talks in Washington between President Nixon and Mexican President Luis Echeverria.

Ron Ziegler, White House press secretary, said the nearly three hours of meetings between the two presidents were held "with a great degree of frankness and candor."

Mr. Ziegler said the United States will attempt to reduce the salinity of the Colorado River so that farmers in the Mexicali Valley, who have decided to stop using water from the Wellton-Mohawk project for irrigation purposes, will have about the same quality of water as American farmers in the Imperial Valley.

Evaporation Leaves Salt

The water used for irrigation picks up its salinity from the fields. As it drains off into the Colorado, some of the water evaporates, leaving a high salt content in the water that remains.

Mr. Ziegler said the United States plans to reroute another 60,000 acre feet of water, or approximately 163,925,700,000 gallons, from the Wellton-Mohawk irrigation project.

This would bring to 110,000 acre feet the amount of water that the United States will bypass annually from Wellton-Mohawk around the Imperial Valley dam.

To meet its 1974 treaty agreement with Mexico to supply 1.5 million acre feet of water from the Colorado River, the United States will pump fresh water from the Yuma Mesa water table into the Colorado.

An acre foot of water, the amount of water that would cover one acre of land to a depth of one foot, is 325,851 gallons.

**U.S. Inaction**

In a speech to a joint session of Congress Thursday, Mr. Echeverria denounced what he described as U.S. inaction on the problem and said the result has been poverty for thousands of Mexican farmers.

In the communiqué, President Nixon said it was his "sincere desire to find a definitive, equitable and just solution to this problem at the earliest possible time because of the importance both nations attach to this matter."

Mr. Nixon said he would name a special representative to begin work immediately to find a solution and that the representative would make a report to the President by the end of the year.

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DEDICATION—French President Georges Pompidou at the inauguration of the memorial to Gen. Charles de Gaulle yesterday. Mrs. de Gaulle and son Philippe are at left.

## Huge Monument to De Gaulle Is Dedicated

By Jonathan C. Randal

COLOMBES - LES - DEUX-ÉGLISES, France, June 18 (UPI).—Thousands of Gaullist faithful traveled today from all over France to inaugurate an enormous pink granite Cross of Lorraine honoring the late Gen. Charles de Gaulle.

In a simple ceremony on the highest hill overlooking the late president's country home, his successor, Georges Pompidou, said, "Death, my general, you know, is a beginning."

Speaking with quavering voice to Gen. de Gaulle as if he were still alive, Mr. Pompidou continued, "Your legend scarcely has begun to take flight, and already the shadow of its wings covers France."

Built with the proceeds of a million-dollar national subscription, the 147-foot monument was inaugurated on the 32d anniversary of Gen. de Gaulle's call to resistance against the German occupation in World War II.

The Cross of Lorraine was the wartime emblem of the Gaullist Free French.

Aside from Mr. Pompidou's emotional speech, the ceremony was a cold affair, reflecting in many a Frenchman's mind the thinly disguised antipathy alleged to exist between the present president and orthodox Gaullists, including the general's widow and son, Adm. Philippe de Gaulle.

While many of the surviving Companions of the Liberation

Companions of the

147 feet high



147 feet high

the restricted Gaullist order of merit—were present at the ceremony here, others took part in IRA Provisonalists.

Sean Keenan, a long-time opponent of British authority in Northern Ireland, arrived here last week to open a coast-to-coast speaking tour. The Irish Northern Aid Committee, with a New York office in the Bronx, hopes to raise \$250,000 in a month-long campaign.

## Republican Party Decides to Back Coalition in Italy

ROME, June 18 (Reuters).—Italian Premier-designate Giulio Andreotti today began formulating a tentative government program as prospects for an end to the five-month political crisis brightened.

The Republican party brought about the sudden change in the political climate Friday night by agreeing to give support to a center coalition government of Christian Democrats, Social Democrats and Liberals.

Such a coalition could swing Italian politics to the right and will have only the slimmest of majorities. But it now seems to be the only feasible type of administration.

It will have to deal with Italy's worst economic crisis since World War II and control a frightening rise in crime and violence. But it may trigger agitation on the left and thereby create more problems.

For the first time in 10 years, the Socialists will be excluded from the government—replaced by the right-of-center Liberals.

Anconans Flee New Tremor

ANCONA, Italy, June 18 (Reuters).—Thousands of inhabitants of Ancona fled back into the countryside today when a strong earthquake—measuring nine on the 12-point Mercalli scale—left three people dead from heart failure and 50 injured by falling masonry.

About 75 percent of the city's 100,000 residents fled to the countryside and were told not to return until the area had been quake-free for at least 24 hours. A large number returned today but when the tremor struck—registering between four and five points—they fled again. The tremor put the instruments of a mobile geophysical station out of order but otherwise caused no damage or injuries, police said.

## Obituaries

### Kirke L. Simpson, AP Winner Of Pulitzer, Its First Byliner

LOS GATOS, Calif., June 18 (AP).—Kirke L. Simpson, 90, a Pulitzer Prize winner in 1921 for his Associated Press story on the burial of World War I's Unknown Soldier, died here Friday.

His moving account of the burial was unsigned, as was the custom at the time, but editors of newspapers throughout the country were impressed enough to ask the writer's name. He became the first Associated Press reporter to receive a byline.

The first few paragraphs of his story give an indication of the quality that impressed readers at the time.

"Under the wide and starry skies of his own homeland, America's unknown dead from France sleeps tonight, a soldier home from the war," he wrote.

"Alone, he lies in the narrow cell of stone that guards his body, but his soul has entered into the spirit that is America. Whatever liberty is held close in men's hearts, the honor and the glory and the pledge of high endeavor poured out over this nameless one of fame will be told and sung by Americans for all time."

Other notable stories by Mr. Simpson included breaking the news of Theodore Roosevelt's 1912 presidential bid and the Republican nomination of Warren G. Harding in 1920.

"Harding of Ohio was chosen by a group of men in a smoke-filled room early today as Republican candidate for President," he wrote. The phrase has since become a cliché.

Mr. Simpson began his newspaper career as editor of The

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## Killer Storm Now Heading For Florida

Northwestern Coast Target of Hurricane

Miami, June 18 (AP).—With winds of up to 95 miles an hour, Hurricane Agnes moved toward Florida's northwestern coast today after spawning several tornadoes that struck the Florida Keys.

The tornadoes moved through Conch Key and Big Coppitt Key, just east of Key West in the early morning. The police said at least 55 persons had been injured at Big Coppitt Key, where a tornado hit a mobile-home area overturning scores of trailers and cars. A smaller twister struck a restaurant in Key West, causing heavy damage but no injuries.

Agnes, which developed into the season's first hurricane late yesterday, was blamed for three more deaths in Cuba, bringing the storm toll there to seven in three days.

President Nixon was at his Florida home at Key Biscayne, in the fringe area of the hurricane. He flew there from the Bahamas, where the weather was overcast and threatening.

Robert Simpson, director of the National Hurricane Center in Miami, said that if the storm continued its northerly direction at its speed of 17 miles an hour, it would move inland over the Florida panhandle shortly after noon tomorrow.

The center extended its hurricane warning to include all of northwest Florida from Cedar Key to Pensacola. It posted gale warnings for Florida's west coast from Fort Myers to Clearwater, north of the heavily populated St. Petersburg-Tampa area.

Mr. Simpson said that based on the history of Gulf of Mexico storms, Agnes was expected to move almost in a straight path due north. He emphasized that the hurricane center was making no predictions about the storm's movement to land.

**Thousands Admire**

Finally, the thousands of faithful, who neither saw nor heard the ceremony on the hilltop, from which they were banned, were allowed to climb up and admire the monument.

Although Mr. Pompidou in his speech said the general had expressed interest in such a monument during a private conversation 18 years ago, many French people find the Cross of Lorraine, visible more than 12 miles away, hardly in keeping with the general's native austerity.

But no less an authority than Mr. Malraux, in his book "Fallen Oaks," recording his last conversation with Gen. de Gaulle in 1969, quoted the general as saying:

"They will erect a great Cross of Lorraine on the hill which dominates the others. Everyone will be able to see it, but no one will—as there will be no one. It will encourage rabbits to take to the Resistance."

Gathered at the Paris monument honoring the 200,000 French men and women who died in deportation during the war, they were adopted against Mr. Pompidou's recently revealed decision to pardon Paul Touvier, a prominent French wartime collaborator with the Germans.

Mr. Pompidou, always suspect among the most orthodox Gaullists because he did not take part in the Resistance, was asked by the 13 protesting committees participating in the ceremony to revoke the pardon.

Adm. de Gaulle's statement was quoted in a daily newspaper, Le Figaro. It published extracts from a radio interview broadcast today, the 32d anniversary of his father's death.

Mr. Pompidou and his wife arrived by helicopter from Paris, participated in the ceremony and left, all within half an hour.

Shaking the hand of the general's widow after his speech, Mr.

WASHINGTON, June 18 (UPI).—Pakistan will spend more on defense than ever before, in its first budget since the breakup of Bangladesh, the rise to power of President Zulfikar Ali Bhutto and the devaluation of its currency.

According to the budget released yesterday, Pakistan will spend 4.46 billion rupees (\$405.5 million) for defense in the fiscal year starting July 1.

The sum is greater than the 4.15 billion rupees pegged for development.

The issue of defense spending looms large in anticipation of the peace talks scheduled to start June 28 in India between Mr. Bhutto and Indian Prime Minister Indira Gandhi. Discussions were expected to touch on limiting the arms race between the two hostile neighbors, both of which are among the poorest countries in the world.

It said that even these measures would provide only brief respite from the crisis unless readjustment increased.

L'Humanité published a front-page appeal Friday for all Communists to subscribe to the newspaper. Editor Etienne Fajon called the appeal a "distress call."

The newspaper prints 200,000 copies a day and sells about 150,000.

**Castro at Baltic Port**

BERLIN, June 18 (UPI).—Premier Fidel Castro of Cuba visited East German naval units at the Baltic port of Rostock today, the East German press agency said.

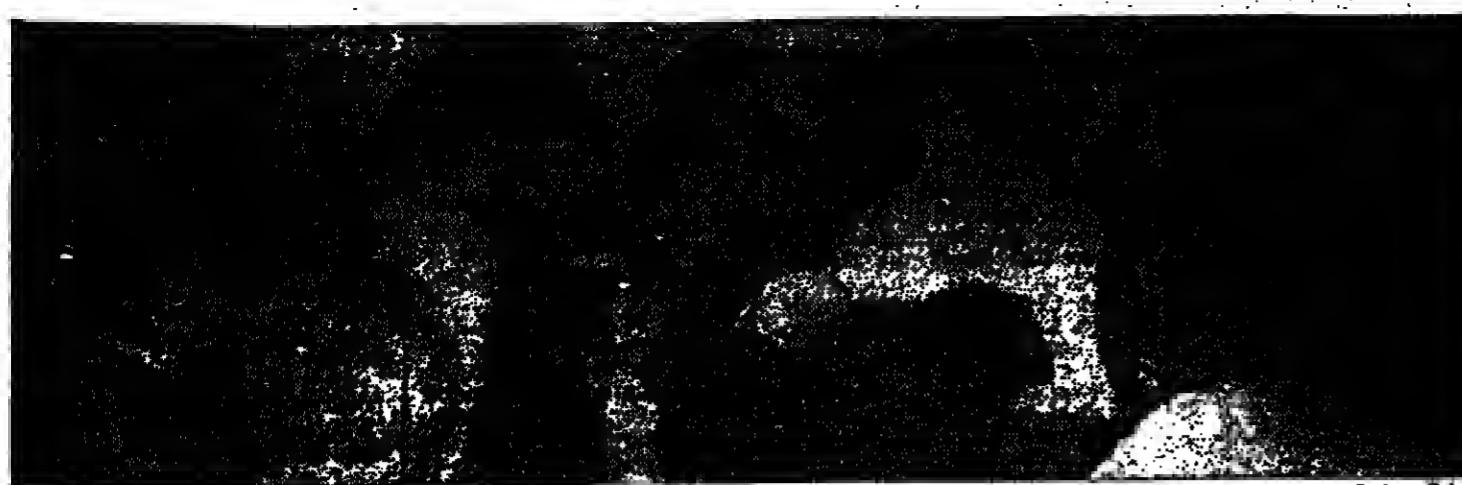
He is on a two-month tour of Africa and Europe.

**the spell of youth**

perfume

**WORTH**

perfume



Brother Roger, the prior, talks with visitors.

## The Tent City of God on a Burgundy Hill

By Jo-Ann Price

TALZÉ, France (WP).—"It's quite astonishing. They like to pray—sometimes all night."

A slender, 33-year-old French monk, Brother Charles Eugène, secretary of the Taizé community, spoke with amazement as he described how thousands of visitors—most of them under 30—have turned this peaceful Burgundy village into one of the most popular places in Europe for youths in search of a purpose.

Last year nearly 50,000 youths from 76 countries walked, hitchhiked, bicycled, drove, entrained, bused and flew towards Taizé. The town is just a few miles from medieval Cluny and its 12th-century abbey set in splendid hills.

Last Easter, 15,000 youngsters transformed the hilltop grounds of the Taizé brotherhood into a tent city eager to engage in creating a new "springtime" for the Christian church, a Christianity of peace and justice. At Pentecost, May 21, another 5,000 came.

Now Taizé, the real and spiritual home of 70 brothers—five Roman Catholics and the rest Protestants and members of the Eastern Orthodox Church—is alive with plans for a worldwide council of the young here in 1974, perhaps continuing for several years.

The arrival in increasing numbers since 1968 of thousands of

the young at the doors of the 12-year-old starkly modern Church of Reconciliation was "completely unforeseen" by Brother Roger, the prior, and his conferees. Last year the brothers dropped their family names and replaced them with the name "Taizé."

"If we had thought of this," said Brother Charles Eugène, "we would have picked a place closer to the streets, to trains and to airplanes when we began here."

"You ask me why the young come here," asks the prior, a 57-year-old Swiss who organized the community with three other brothers in 1944. Five years later they undertook a commitment to celibacy, community of goods and acceptance of authority according to Benedictine rule.

"Certain things characterize the young," Brother Roger said. "They want to act in favor of man where he is a victim of man. They try to communicate—for the Christian church, a Christianity of peace and justice. At Pentecost, May 21, another 5,000 came.

### Many Applicants

"I think my brothers have made this kind of communion credible to the young, through their poverty and through their engagement with men who are poor."

The history and events of Taizé have been punctuated with surprises and contrasts. Many of the youths say they would like

to be brothers and the community now has many more applicants than it can accept.

The real founding of the work here took place in 1940 when the prior, living alone at Taizé, began harboring refugees from Nazism to leave, in 1942. When he returned with the brothers, the 12th-century Catholic parish church in the village was made available for services to the Protestant monks. The man who signed the papers for this major ecumenical gesture in 1948 was Angelo Cardinal Roncalli, the papal nuncio to France and later Pope John XXIII.

In 1960, just as it was outgoing, the parish church, the Taizé community was selected by German church leaders as a place for the construction of a new edifice as a "sign of reconciliation."

Most of the young men and women who have converged on Taizé in recent years care little about organized ecumenism. The white church, its silence, the relaxed atmosphere of discussion groups, the moving liturgical music of the monks singing the Taizé office three times a day are the reasons they are there. Some are simply curious.

Explaining why they were at Taizé, a newlywed couple from Lyons said: "We want a new style in their judgment of a church which seems to be tied to capitalism."

"They are not interested in the ancient history of ecumenism or in institutional structures. They are interested in Christ, God, faith, the Bible and even in a church as a fraternal community."

On everyone's lips were the plans for the world youth council—how the young from poor countries could pay their transportation, how it would be promoted on various continents and what it might say about justice, politics and the reconciliation of Christians.

It is perhaps a search for a way out of the isolation of our civilization.

### And They Smile

"They walk together, they speak together and they smile at each other," he continued. "Many of the young are very lonely."

"Then, too, they have a very strong desire for justice among men, for political action. Many say they feel themselves to be Christian and contemplative, and yet they find themselves agreeing with certain Marxist descriptions of society."

"These young people are very seven in their judgment of a church which seems to be tied to capitalism."

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### Trips Related

The two journeys were related as much by substance as by timing. Both men, for example, can be expected to report to their interested hosts some (although presumably not all) of the results of President Nixon's summit talks in Moscow, May 22-23. In addition, it seemed virtually certain that both Mr. Podgorny and Mr. Kissinger would be dwelling heavily on the subject of Vietnam.

The White House did not specifically confirm last week that Vietnam would be on Mr. Kissinger's agenda; and Ron Ziegler, the White House press secretary, went to some lengths to demonstrate that Mr. Kissinger's mission was not undertaken in response to any particular crisis. Mr. Ziegler recalled that the Shanghai communiqué in February had provided for future visits by senior American officials, and that the Kissinger journey had been agreed to in principle at that time.

That much said, however, Mr. Ziegler did not seek to discourage speculation that Mr. Kissinger would be preoccupied with the subject of Vietnam in his conversation with Premier Chou En-lai. The war is plainly the biggest single obstacle to further improvement in bilateral relations between China and the United States. In addition, Mr. Kissinger is undoubtedly anxious to reassure the Chinese that recent American bombing raids near the North Vietnamese-Chinese border—to which the Chinese had bitterly objected—are not intended to threaten Chinese security.

Finally, he is equally anxious to discover whether the Chinese are any more disposed now to using their influence to nudge Hanoi toward a settlement of the war than they were when Mr. Nixon visited Peking in February.

For beneath the polemics ran a groundswell of unanimity. Most of the final decisions were made without a dissenting vote. It was as though the nations comprising the family of man had become aware, as never before, of the vulnerability of their planet and how essential it is that they work in concert to preserve it.

Not all members of the family were represented. Because the East Germans had been denied full representation, the Russians and their closest allies stayed away. But the decisions made here now must unlikely be ratified by the General Assembly in the fall and so the Soviet bid will have its say.

As for Mr. Podgorny's mission to Hanoi, American analysts said they did not know what he planned to tell the North Vietnamese and Mr. Podgorny himself did little to clear up the mystery.

"The Vietnamese problem should be immediately solved," he said during a stopover in Calcutta. "America should cease bombing. The United States should leave Vietnam." But the hope in Washington was clearly that Moscow had decided to use what influence it has to persuade Hanoi to resume meaningful bargaining, and that Mr. Podgorny had been sent there to convey that decision.

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## Eurobonds

### Texaco Pulls \$30 Million Issue; Little Slack in New Convertibles

By Carl Gewirtz

PARIS, June 18 (UPI)—The why there should be as large a difference as there is, adding that the rating system applies only to U.S. companies with only few European borrowers—Shell, for example—getting the favored treatment. The \$30 million offering from SAS, which has the backing and guarantee of its three Scandinavian government owners, was priced at \$8 1/2 with a coupon of 8 percent and, although not free to trade by week's end, there were indicated quotes of 97 1/2. "Surely the guarantee of these governments can't make this loan more of a risk than Texaco," one banker stated.

Morgan & Cie, managers of the issue evenly divided between five-year notes and 15-year bonds, would say only that it was temporarily postponed and expected to be rescheduled in July. However, the word elsewhere was that Texaco was driving a very hard bargain—it was noted, for example, that Texaco was not going to pay the legal expenses of the managers, expenses which are always almost assumed by the issuer—and that it was insisting on the most favorable possible terms. That is, that both loans be issued at par with coupons of 3 3/4 percent for the bonds and 1 1/4 percent for the notes.

And these were terms that the market would not accept. Among the recent issues on the secondary market, Carter 8s were quoted at 88 1/2, down 1/2 on the week; Piscos 8 1/4s were at 89, up 1/2; Ashland 8s were at 88, compared with its week-earlier issue price of 99 2/4, and Cutler Hammer 8s were at 88 1/4, compared with an issue price of 99.

Thus, the yield the market is willing to accept on long-term dollar debt is well over 8 percent and is not willing to make any large allowance for the fact that Texaco is a triple-A credit-rated company. Most commentators are agreed that, in a good market, investors are willing to accept less sweet terms from a top-rated borrower. But in the present near-gilt atmosphere, there is no need for concession.

In fact, some bankers question

J.P. Morgan's \$30 million issue

was fixed with a 14.88 percent conversion premium and a 4 1/4 percent coupon. Gervais-Danone, the first French Eurofranc convertible, came out with a 100 million franc offering with a 5 percent coupon and a conversion premium of 7.83 percent.

Broadway-Hals was the weakest of the recent issues, quoted at 97 3/4 offered 88 3/4 bid. Gen-

(Continued on Page 13, Col. 3)

### Economic Indicators

#### WEEKLY COMPARISONS

	Latest Week	Prior Week	1971
	June 11	June 4	June 12
Commodity index...	118.5	118.6	105.2
*Currency in circ...	\$61,344,000	\$61,622,000	\$58,612,000
*Total Loans.....	\$87,52,000	\$87,438,000	\$83,612,000
Steel prod (tons)...	2,635,000	2,637,000	2,737,000
Auto production....	187,074	181,439	185,786
Dairy oil prod (bbls)...	8,683,000	8,588,000	8,732,000
Fright car loadings...	477,852	.....	.....
*Elec Pow. kw-hr...	33,981,000	31,826,000	.....
Business failures....	175	129	122

Statistics for commercial-agricultural loans, carloadings, steel, oil, electric power and business failures are for the preceding week and latest available.

#### MONTHLY COMPARISONS

	May	Prior Month	1971
	Employed	Unemployed	5,166,000
Industrial production...	51,394,000	51,265,000	75,830,000
*Personal income...	\$305,500,000	\$304,200,000	\$243,200,000
*Money supply...	\$236,000,000	\$223,500,000	\$221,200,000
Consumer's Price Index...	124.3	124.2	122.6
*Mfrs. inventories...	\$161,058,000	\$162,240,000	\$168,450,000
*Exports.....	\$3,586,000	\$3,521,000	\$3,753,000
*Imports.....	\$4,459,700	\$4,475,000	\$3,753,000

March Prior Month 1971

#### Construction Contracts

\*000 omitted. Figures subject to revision by source.

Commodity index, based on 1867=100, the consumers price index, based on 1967=100, and employment figures are compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1967=100. Personal income is the Bureau of Economic Analysis. Money supply is the Federal Reserve Board's M2. Mfrs. inventories are based on current outside held and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by Dun & Bradstreet, Inc. Construction contracts are compiled by the F. W. Dodge Division, McGraw-Hill Information Systems Company.

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(Continued on Page 13, Col. 3)

## New York Stock Market Gains Moderately As Half-Year Review of Economy Is Confident

By Thomas E. Mullany

NEW YORK, June 18 (NYT)—With the first half of 1972 virtually over, many business analysts are again reviewing the economy and how their year-end predictions for it have panned out so far. On both scores, the track record is quite good.

In general, the economy's performance this year has actually evolved slightly better than the very optimistic forecasts of last fall. There is little—if anything—in the picture to suggest that the consensus forecast will not be achieved. That realization, plus another batch of favorable economic statistics, helped propel the stock market to moderate gains last week.

At the year's end, the general view was that a gain of close to \$10 billion—8 to 10 percent—was likely for the gross national product in 1972. Then, in the early winter, some economists began to waver a bit in their optimism and reduced their sights to the \$85-billion zone. But most of them have since become more confident and some have even raised their original predictions for the year's expected gains to the area of \$105 billion.

That does not suggest that the present situation is devoid of any major problems. There is certainly concern about the stubbornness of high unemployment and the continued elevation of the general price level, particularly with respect to heat and other foods. But inflation and a growing federal budget deficit, with all of its implications for fiscal and monetary policy, may have to be tolerated later this year and next.

Saul B. Klaman, banking economist and president of the National Association of Business Economists, perceived both good

news and bad news in the first half record of the economy.

He listed the good news as real growth slightly better than expected; clear signs of abatement in inflation; sharply rising employment; strong expansion in capital spending; and consumers sales and housing all registering gains.

Mr. Klaman said the bad news was the report on industrial production for May, disclosing an advance for the ninth consecutive month. Output of the nation's mines and factories last

month rose five-tenths of 1 percent, putting the Federal Reserve Board's index at 111.6 percent of the 1957 base. It is now close to the pre-recession peak of 111.9 established in the late summer of 1969, a key evidence of the strong recovery that has been under way in the economy.

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# New International Outlook

## Paris Plans Growing Role in the Common Market and the World

### Bankers Look Forward To Expanded Horizons

**PARIS.**—There is a new dynamism in the French banking industry as it braces for the widening of the Common Market by multiplying contacts and links throughout the community and the four other countries joining the Six at the end of this year.

French bankers have learned the lesson of competition and are ready for the new, tougher international climate. Since the mid-1960s they have been bolstering and streamlining the industry through a series of mergers. There are now fewer, but stronger units.

Like banks abroad, they are diversifying services. The tendency is toward multipurpose or "universal" banking.

The French banking community has thus taken up the challenge of the Common Market, set up in 1958, the emergence of multinational companies over the last decade or so, and the growing involvement in Europe of American banks, which has greatly contributed to a more competitive climate.

But the initial driving force behind the upsurge of activity in French banking was probably France's own needs—the new requirements of a fast-growing economy. This called for a variety of new forms of financing, some of them practically unknown in France only a decade ago.

The country's steadily expanding trade played a major role. The banks have extended their network of cooperation and representation across the world. They are continuing to do so.

The new international outlook of French banking has its corollary in the more aggressive style of the new generation of French industry's export managers. The "Hexagon"—France—has become too small for its bankers as well as for its exporters.

Those who want to expand look beyond the borders—most of the time, far beyond the boundaries of Europe.

A bank executive in his early 40s, who frequently flies to London, Frankfurt or New York for business babbles, said:

"French banks have indeed become much more active and aggressive in their foreign dealings.

The French economy continues



to expand at a rate which private French analysts consider highly satisfactory. And the country's foreign trade position is unquestionably healthy.

The fears of a possible slowdown or general recession caused by last year's monetary crisis and international uncertainties, President Nixon in August have disappeared with the return of uneasy calm to the foreign exchanges after last December's Washington monetary realignment.

#### Domestic Price Rise Is a Principal Concern

On the domestic front, rising prices are the main concern. And investments could certainly be higher. Some experts say consumer demand plays an essential role in sustaining growth at present. But investments have in fact increased by 30 percent in three years and Prime Minister Jacques Chirac-Delmas says France has the "blue ribbon" in Europe in this field.

"And the price increases are not sharper in France than in other, neighboring countries," says one analyst. Reflecting views widely shared in banking circles, he points out that the biggest potential danger to the French economy—and European economies as a whole—is the unsettled state of world payments.

The recent leap in the "free market" price of gold has been a new reminder of this danger, which will loom in the background until lasting peace and stable conditions have been restored in international payments.

For this reason, the French banking community welcomes the progress achieved by the present members of the Common Market and their prospective partners toward a common position on monetary problems. The six founding members of the European Economic Community and the four countries which are to join them at the end of the year—Britain, Denmark, Ireland and Norway—made a first step toward implementing plans for economic and monetary union when they agreed a few weeks ago to narrow the bands of fluctuation between their currencies.

If they manage to form a common front—perhaps at the tenth

ECU summit meeting

planned for next October in Paris—their bargaining position will undoubtedly be much stronger when negotiations finally get under way on monetary reform.

Against this background of continued domestic growth coupled with inflationary pressures and international uncertainties, French banks have reported strikingly good results for 1971. Net profits of the "big three" nationalized banks rose on average by 17 percent. Some private bank reported even better performances.

The balance sheets of the top 20 banks—according to a recent unofficial listing—showed an increase of 22 percent over the 1970 figure, helped in part by high interest rates and an increase in foreign-exchange transactions linked with the monetary crisis.

However, this was less than the increase recorded the year before—some 30 percent. Pre-tax profit margins were narrower due to higher costs and sharper competition. But, then, 1970 was by any standards an exceptionally good year for French banking.

The total debts reported by French banks for 1971 were about 265 billion francs, an increase of 55 billion or 24 percent over the 1970 figure. This was an indication that the deposit banks have been successful in their efforts to streamline the industry over the past five years. Their rivals in the hunt for Frenchmen's money, the savings banks and similar institutions, reported an increase of only 17 percent. Their share was 132 billion francs in deposits.

Hand in hand with the modernization, there has been an extensive concentration movement which has contributed greatly to the more dynamic outlook of French banking.

The concentration process began in 1966 with the merger that produced the BNP, the largest of the French nationalized banks.

At the same time, the government introduced new banking legislation.

The competition for deposits is sharper in France than in many other countries because of the strong position of the national savings banks and the agricultural credit institutions, which offer banking facilities to the rural population. They have altogether 11,000 tellers' counters throughout France. Another factor of competition is the postal check system, run through some 20,000 post offices.

The renewed interest by foreign investors in French stocks and bonds is another sign of confidence.

The easing of the foreign-exchange controls at the beginning

of the year has no doubt also contributed to the better mood.

The 1971 results showed that the banks managed to do well in spite of the monetary upheavals of last year, which prompted the French government to impose stringent foreign-exchange controls, including creation of a two-tier foreign exchange market, to ward off unwanted inflows of hot money.

But competition became sharper than ever, and the banks continued their process of concentration and modernization of the industry, coupled with expansion beyond France's borders.

The 113-year-old Crédit Industriel et Commercial (CIC), which

heads the list of private deposit banks, is increasing its network of counters at a rate of some 50 a year. It now has 1,300 throughout the country. Started as a clearing bank in the Paris area, it now acts as a holding company for 13 regional banks in which the parent group has a

set up during the past five years. There are now over 7,200 in France.

BNP opened 140 new permanent branches last year and now has over 1,380. The bank, with a staff of about 37,000, has some 2.5 million accounts at present and has recently made a big effort to streamline its work by means of computer centers set up in Paris, Lyons and Bordeaux. It has been turned into a "truly universal bank" and its recent domestic policies have been based on decentralization.

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# Presence of Paris Finance



State your problem clearly. State it not once, or twice, but three times. Bourse has this, in the view of experts, seems to be the single most two major pieces of advice that French bankers have to pass on something to foreign businessmen for handling their contacts with French partners.

"We can't solve the problem unless we understand it," as one says. "A computer can't solve a problem, unless it understands."

It's not so much a question of language barrier. Many, if not most, bank administration people speak flawless English—German and Spanish, too.

But we have different educational systems, different systems of logic and this can make mutual comprehension difficult.

The French have used it to be a rule in writing radio news programs in their radio United States. First, you tell 'em you're going to tell 'em. Then, you tell 'em you've told 'em. The same game is here.

At the first time, your contact gets your information through ports and a visual language screen. He may be speaking English but this year is thinking in French.

Then the next time around, the information you give him is getting

over to him. And you haven't made him make the effort. This is the third go check out his grasp of your problem, and now

we're here in it in your terms.

French here is not, according to most bankers here, much of a

language problem at all. There are few Frenchmen at this level

overall whose business who do not speak English fluently.

French they are—and this is fairly recent—perhaps even more aware

of the vagaries of English as it is spoken. For

example, they are keenly conscious of the differences between

French English and American English. All French people, after

comes to say that Americans speak *Américain*—which is more

French than the U.S. description of its language as English.

France's distinction is important. There's the story about the

reserve officer hired by the United States during the immediate

postwar period to help find out what the French nation needed

urgently.

Figure nine translator awoke up and down that his English was

more or less understandable. His British English was,

and of course of the things that France needed most urgently was

bread—mainly wheat for the making of bread. People were

there. One of the difficulties between British English and

the French English is the British use of the word "make" for what

1971, *make* means "corn."

French translator, inexplicably informed the United States

French need corn.

Arrived. Thousands of tons of it. Vast shiploads,

by the pigs and the cattle thought it was swell. To this day,

however, there are millions of Frenchmen who cannot understand how the Americans expected them to make French bread

on the cob.

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## French Bankers Welcome the 'Défi' of London

(Continued from Page 18)

its operations in Europe and bolstered its position throughout the Common Market countries in recent years, he said.

He said it was reassuring that the latest reforms and new trends in the French banking system were gradually reducing the disparities in banking regulations and techniques between France and its main commercial and financial partners.

Christian Delavarian, president of the Crédit Industriel et Commercial group, is also confident about the effects of EEC enlargement.

"There has been an enormous change in the thinking of French industrial leaders," he said. "They are at present geared to the Common Market and international competition."

He said that if there had been a different kind of mentality in the past, it was mainly because industry had been lagging.

The same banker said the second and significant factor that explains the extent of controls maintained by the French government over the years was the dollar crisis—which had been looming for a long time before it triggered the recent series of monetary upheavals.

**Historical Factors**  
In State's Activities

Another expert agreed that the authorities' influence on banking in France was one of the main differences between the situation here and that in other countries.

But he asserted that this was largely due to historical factors: Just after World War II the French economy was run down to such an extent that it would have been impossible to rebuild the country and develop its potential without official dirigisme.

While Paris bankers do not seem overly impressed by the performance of British industry, apart from the giants in some fields of advanced technology, they clearly envy their British colleagues the freedom of action that the City has enjoyed during the postwar period. The problem of liberalism versus French government dirigisme is a recurrent theme in conversations with bankers here.

They all agree on one point: Liberalism is required if banking is to be "internationalized" and if Paris is to play the role it deserves on the international financial scene.

power in 1958 of the late Gen. de Gaulle.

Even the sternest critics of government policy readily admit that French banks have more elbow-room at present because of the series of reforms initiated with the introduction of a new banking code just over five years ago. Private bankers also agree that the "big three" nationalized deposit banks enjoy full autonomy and behave like any other banks.

There are also many bankers

who believe that the senior officials at the Finance Ministry and the Banque de France are genuinely liberal in their outlook.

The banks' problem, said one senior member of the Paris financial community, is that while authorities realize that competition—liberalism—would be healthy for the economy, outside factors

—such as the monetary crisis—have compelled them to remain cautious.

And, as another banker observed, other countries also have laws and regulations which impede cross-border mergers and multinational banking. Western Europe would then be in a much better position to meet American competition, the French feel.

The easing of foreign-exchange controls since the beginning of this year is, of course, welcomed by the banking community, which expects additional measures in the same direction as the widening of the EEC draws closer.

"French authorities will be compelled to be more liberal if they want France to be competitive," said a senior banker.

This, he said, bears notably on the government attitude toward foreign investments in industry. There has been a two-way liberalization of portfolio investments, but, as some bank officials point out, authorities still tend to shield some key sectors of industry which they want to keep under French control.

The editorialist of a Paris economic daily said recently that this seemed inconsistent with recent tours abroad by cabinet ministers seeking to lure foreign investors to France. "However,"

said a young bank executive who cannot be suspected of chauvinistic attitudes, "if you take a sufficiently close look, you'll find that it is the same practically everywhere."

The views expressed by French bankers do convey the impression that they have a very realistic approach to problems in this field of government controls and are much less touchy about French attitudes than foreigners generally believe.

They seem to agree that with the widening of the Common Market, the time has come to do away with the remaining banking-policy differences between the French government policies and its EEC partners. This will probably have to involve a general move toward harmonizing legislation within the framework of EEC plans for economic and monetary union. In this respect, most Paris bankers stress the need for rapid progress toward agreement on company law and harmonization of fiscal systems and tax rates.

Such steps may take time—but once they are achieved, a major step will have been made toward

cross-border mergers and multina-

tional banking. Western Europe

would then be in a much

better position to meet American

competition, the French feel.

Another frequently quoted ex-

ample of the need for an interna-

tional rapprochement on banking

techniques: French companies

will have to improve their re-

ports, since their balance sheets

at present are, for foreigners,

still "very hard to grasp." Noting this, one Paris banker explained that French law on this point is less exacting than foreign

legislation.

If it is "more difficult to be an

international banker in Paris

than in London," it is certainly

easier for Frenchmen than for

foreigners to be bankers in Paris,

a Frenchman noted. "We have

learned to live with it," he said

in reference to the complexity of

the credit system and laws and

regulations, born out of tradition and historic contingencies.

"If you want to set up a busi-

ness in France, you'll need a

French bank," said a senior execu-

tive here. "Quite frankly, we

have the expertise and the knowl-

edge, and we know on which

doors to knock. You'd need us

at least for the contacts that we

can provide."

Said one British businessman

who has been running his com-

pany in France for several years:

"I sometimes tell foreign friends

that many things would seem

somewhat bizarre to them in

France, but nothing is directed

against you."

## BANQUE WORMS



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## Ministry's Move

### Rules for Bourse Get Streamlining

PARIS—"It's a step in the right direction," a French banker said after Finance Minister Valéry Giscard d'Estaing recently announced moves to streamline the Bourse, the Paris stock market, and to make it more attractive to foreign investors as the Common Market Six become the Ten.

The new measures are intended to ease foreign investment in French equities by making the machinery of the Bourse more compatible with stock exchange practices elsewhere—particularly in London.

As announced, the new regulations would:

• Let specialists operate on the market.

• Permit share purchases by the companies that issued them (a measure intended to overhaul French companies' profit-sharing plans by providing for distribution of stocks to employees).

• Ease conditions for block-trading, particularly as a means of protection for small shareholders.

• Allow the establishment of incorporated stock brokerages (under present French law brokers are held personally liable for trading.)

• Revamp the responsibilities of portfolio managers taking charges for their clients.

Mr. Giscard d'Estaing made it clear that the Bourse reform was in large part intended to strengthen the Paris Bourse in relation to foreign competition as the Common Market is enlarged.

The finance minister said, "The main concern for improving the competitiveness of the Paris exchange in relation to the City of London will guide the government when, in due time, it examines the conclusions of studies and projects under way on the problems of the establishment of financial institutions."

The measures were first announced at a conference organized here in early May for brokers interested in the Bourse. The finance minister took the occasion to say that there had been heavy buying by foreign interests

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Crampton 2d, Palmer 3d

# Nicklaus Wins U.S. Open by 3 Despite His Final Round of 74

PEBBLE BEACH, Calif., June 18 (UPI)—Jack Nicklaus recovered from near disaster on Pebble Beach's treacherous and unfriendly back nine today to win the U.S. Open despite a two-over-par 74 for a 290 total for 73 holes.

Australia's Bruce Crampton, who had a 76 today, finished second with 293 and Arnold Palmer, who also had a 76, finished third with 294.

Defending champion Lee Trevino and Horacio Blanca tied for fourth with seven-over-par 295s. Trevino had a final-round 74.

Today's victory brought Nicklaus only two steps away from the grand slam. He has already won the Masters and remains on the list are the British Open and PGA.

It was also Nicklaus' third U.S. Open triumph and his 13th major golf championship, which ties him with Bobby Jones.

The 23-year-old Nicklaus made the turn on the wind-swept sea-side course in even par 36 for a three-stroke lead and seemed headed toward an easy victory until he took a double bogey six on the 10th and a bogey four on the 13th to give his challengers a chance.

No one seemed able to make a move and Jack, who needed the victory to keep alive his chances for pro golf's first "grand slam," drew away with birds on the par four 14th and the par three 17th before three-putting for a bogey on the last hole.

Besides his open championships, Nicklaus had previously won four Masters, two British Opens, two PGA championships and two U.S. Amateurs. Jones' 13 major victories included four U.S. Open and U.S. Amateur titles.

three British Open crowns and two British Amateurs.

Mason Rudolph had the final day's only sub-par round—a two-over 70—but he finished far back in the pack at 307. The day's only par round was shot by amateur Jim Simons of Butler, Pa., who finished at 301. He was low amateur in the Open for the second straight year.

After 18 holes, Nicklaus had a two-stroke margin.

Blanca, four strokes off the pace when today's round started, had a 34 on the front side and was at 294 through 63 holes. He bogeyed the next one, however.

Crampton at one stage shared the lead with Nicklaus but dropped back with a pair of sixes, a double bogey on the third and a bogey on the sixth. He was out in 38 for 255.

Palmer also took a bogey six on the sixth and was out in 37 for 255.

## Gilbert Plays Steady Game

PEBBLE BEACH, Calif., June 18 (UPI)—He didn't win the U.S. Open, but Gibby Gilbert of Pembroke Pines, Fla., was the most consistent golfer for four days.

His scores for the four days were 77, 77, 77, 77 for a 308.

Only two others in U.S. Open history, Frank Stranahan and George Smith, ever carded four identical rounds. Stranahan had a 75-75-75-300 in 1963 and Smith the same as Gilbert.

Trevino couldn't keep pace. Just one stroke away when play started in chilly, 50-degree temperatures, Trevino had a 39 for 256.

Nicklaus faltered on the 10th hole, which every one of the top 10 bogeyed or double bogeyed.

Jack's drive went over a cliff and onto the beach sand. He took a drop a club lengths from the hazard line, landed in a squirrel hole, and took another drop. He didn't like it, got relief and dropped farther away from the cliff. His third shot landed in a hazard short of the green. He played it out to within five feet and missed the putt for a six.

On the 13th, his tee shot went well past the green and down a hill. His second shot didn't clear the hill, his third went past the hole by eight feet and he finally got it down.

Palmer, meanwhile, parred from the 11th through the 14th and then drew him to within a stroke of Jack. But Arnie, who hasn't won a major championship since 1964, bogeyed both 15 and 16 and never was a challenger after that.

Nicklaus, sensing victory at that point, holed out an eight-footer for a bird on 15 and a three-inker on 17. The fact he bogeyed 13 proved unimportant when Crampton already was in the clubhouse and unable to take advantage.

Nicklaus' winning score was the highest for an outright winner of the Open since Sam Park Jr. took the 1925 title with a 299.

### High Numbers

How difficult the back nine of this 6,312-yard par-72 course has been reflected in a compilation yesterday morning. In the 300 rounds played by the field

through the first two rounds, 527 more strokes were taken on the back nine.

Jerry McGee of Lake Worth, Fla., who qualified for the last 36 holes with a total of 181, three strokes under the cutoff, holed a No. 6-iron shot for an ace at the 180-yard par-3 fifth hole. It was the first ace in an Open since Bill Kunkle, Larchmont, N.Y. amateur, holed out at the 142-yard 11th hole at the Oak Hill Country Club, Rochester, N.Y., in 1956.

### THIRD-ROUND LEADERS

Jack Nicklaus	71-73-72-216
Bruce Crampton	74-70-72-217
Arnold Palmer	74-70-72-217
Kornel Zarley	71-73-72-217
Johnny Miller	74-73-71-218
Arnold Palmer	77-78-75-218
Heiner Blanca	74-70-72-220
Don Wicks	74-71-74-221
Gary Player	72-74-73-221
Jerry McGee	78-72-71-222
Oscar Sandys	72-72-73-222
Tom Weiskopf	73-73-73-222
Len Graham	73-73-73-222
Larry Nelson	78-73-73-223
Hale Irwin	78-73-73-223
Don Maynard	77-74-73-223
Bobby Nichols	76-73-73-223
Lenny Wadkins	75-73-73-223
Bobby Greenwood	77-76-72-224
Jerry Mays	74-73-71-224
Tony Lakin	73-75-73-224
Qui Cht Bourges	71-75-73-224
Bert Yancey	75-79-75-224
George Archer	74-74-77-224
Mike Reid	74-74-77-224
Lee Elder	78-71-73-225
Ralph Johnson	74-72-73-225
Charles Sifford	74-72-73-225
George Archer	74-72-73-225
Hilly Casper	74-73-73-225
Paul Harvey	78-72-73-225
Dave Hill	74-78-74-226
Bob Lederer	74-78-74-226
Bobby Cole	72-74-75-227
Bruce Devlin	73-78-74-227
Dave Michaelson	78-71-80-227
Mike Reid	76-77-78-227
Tom Weiskopf	74-75-78-227
Robby Mitchell	74-75-78-227
Orville Moody	71-77-78-227
Bert Allis	75-78-78-228
Robert Thompson	74-75-78-228
Tom Watson	72-73-74-228
Ron Pannier	71-77-75-228
Rod Cerrado	71-77-75-228
Al Geiger	74-74-78-228
Mike Reid	74-74-78-228
Thomas Jenkins	73-76-75-228
John Schroeder	74-75-78-228
Austin Straub	76-77-75-228
Tom Weiskopf	74-75-75-228
Jim Colbert	74-75-75-228
Jim Simeon	75-75-75-228
Barry Jackel	78-78-75-228
Robert Thompson	74-75-75-228
Tom Watson	72-73-74-228
John Simeon	74-75-75-228
Martin Bohm	77-78-77-228
Willie Ziehr	78-77-77-228
s-Amateur	

## The Scoreboard

THIRTY-SECOND RACING—Sunday's Guest won the \$110,000 Coaching Club American Oaks at Belmont Park. The Rodey Stable's stud campaign won the 1 1/2-mile sprint for 3-year-olds and 2-year-olds.

Wanda's mare, preceding Four

lengths, was the winner by another four lengths.

The race was run at the distance for the second straight year, although the horses had run 1 1/2 miles in the Summer Guest and 1 1/2 miles in the Summer Guest.

A field of eight participated in the contest, the third part of the New York Racing Association's triple crown for horses.

Howie Turtore, who has been enjoying the first year of his career, racing among other things, won the Kentucky Derby Belmont Stakes with Riva Ridge, rods Summer Guest. The filly paid \$10.60 to show, \$10.20 to place and \$9.20 to win at odds-on return of \$4.40.

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Howie Turtore, who has been enjoying the first year

## Observer

## The Artful Gardener

By Russell Baker

NEW YORK—Directions for painting a small rusted cast-iron container with a shiny coat of rust-resistant black paint, in order that two geraniums and some white impatiens may be planted in it and the arrangement placed at the edge of a brick patio to give the garden a more pleasant appearance.

Go to the hardware store and buy a small can of rust-resistant black paint. Return home. Ask where old paint brushes are stored. Ascertain that they are stored in the back storage room in the cellar.

Return home. Ask where the screwdrivers are stored. Ascertain that they are in a cardboard box at the back of the cabinet under the sink. While searching under the sink, note a serious leak in the drain. Pray that it will cost no more than \$150 in new plumbing.

Removing a rusted screwdriver, take it to the brick patio and gouge the small rusted cast-iron container with it until you either remove rust with a screwdriver or tear a wicked gash in your hand with an ill-aimed gouging gesture.

Remove the lid from the rust-resistant black paint. Soak the brush in the paint and stroke the rust on the exterior of the cast-iron container with a bold gesture. Observe how quickly the rust becomes covered with the paint. Lie to yourself by believing that this paint is a very powerful paint that may very well consume the rust over which you are now painting.

About one-third of the way through the painting, examine your new corduroy trousers. The splashes of black paint on them will still be wet. Enter the house, change into a worthless pair of old ugly painting trousers and plead loudly for someone to bring you something that will remove rust-resistant black paint from corduroy.

Do not hit the children or kick the cat.

Ascertain without self-pity that paint thinner or turpentine will be required to clean the paint from your hands, which have been making a mess of the towels, and that there is neither turpentine nor paint thinner on the premises. Go to the hardware store and buy paint thinner.

Upon arriving at the front storage room in the attic, observe that the light bulb is burned out. Go to the kitchen cabinet for a new light bulb. Note that there are no light bulbs in stock. Ask where the flashlight is. Ascertain that the flashlight is probably in the front storage room in the attic.

Upon arriving at the front storage room in the attic, observe that the light bulb has been removed. Proceed to the living room on the first floor. Remove a light bulb from a reading lamp. Take this bulb to the back storage room in the cellar and use it to replace the burned-out bulb and to illuminate the supply of old paint brushes. Remove a small paint brush from the spider webs and take it to the back patio, with the black rust-resistant paint.

Order someone inside the house to bring out newspapers. Spread these on the brick patio and place the small rusted cast-iron container on them.

Observe the rust on the object to be painted. Note that instructions on the can of rust-resistant black paint urge thorough removal of all rust from the object to be painted.

Enter the house, inquire about rust-removal technology. Ascertain that a stiff wire brush is widely regarded as an effective rust-removal tool. Ask where stiff wire brushes are kept. Ascertain

## Time, Tonga And Minerva

By John Forbes

WELLINGTON, New Zealand (IHT)—Never before in history has a South Pacific coral reef attracted so much international attention.

The bizarre story first broke in Suva, Fiji, late last January when a group known as the Ocean Life Research Foundation of New York and London claimed national sovereignty over the two barely visible Minerva Reefs in mid-Pacific.

The reefs (roughly 400 miles south of Fiji, 600 miles north of New Zealand and 260 miles from the islands of Tonga) were best known as navigational hazards and generally were given wide berth by mariners. No nation had heretofore claimed the remote, sea-lashed outcrops.

But when the Ocean Life Research Foundation announced plans to reclaim 400 acres of land on South Minerva; build a floating sea city in the lagoon and establish a sovereign republic on the do-it-yourself island, a political controversy began and has been raging ever since.

Fiji's Prime Minister Ratu Kamisese Mara labeled reef-grabbing "a dangerous precedent" and refused to recognize the envoys republic.

An official of the Polynesian Kingdom of Tonga noted that his nation has historically considered the reefs as Tongan fishing grounds and had raised a flag on the reef in 1966.

The Tongan claim was quickly refuted by Republic of Minerva spokesmen who pointed out that the flag was raised in memorandum for sailors who had died on the reefs and did not constitute a declaration of sovereignty.

The Minervans, on the other hand, had been busy on the reefs since mid-1971. According to Michael Oliver, a founder and driving force of the Ocean Life Research Foundation, they had raised two points on the reefs above high-tide level; marked the reefs as navigation hazards with beacons and radar reflectors and hoisted their own flag. Mr. Oliver brought back photographs from South Minerva as proof.

Mr. Oliver, 43, a Lithuanian-born, naturalized U.S. citizen who lists his residence as Carson City, Nev., also reported that a deep-water dredge had been hired in Brisbane, Australia, to begin reclaiming



Flag of Minerva raised over coral reef in Pacific.

land on the reef as soon as the hurricane season ended.

So far, the dredge has not appeared although a team of engineers retained by the Republic of Minerva visited the reefs early in May. The results of their studies have not been disclosed.

Even though the nonorthodox Republic of Minerva has been roundly condemned by leaders of all nearby Pacific nations, only the Kingdom of Tonga has taken an active role.

In February, a Tongan ship deposited a survival station (a box containing emergency provisions and medical supplies) on the reef. About the same time at the South Pacific Forum meeting in Canberra, Australia, Tonga's prime minister championed a resolution to bring the Minerva question before the Geneva Conference on Law of the Sea next year. The resolution was supported by all six Pacific nations present at the Canberra forum.

## Change of Tactics

More recently, however, Tonga appears to have abandoned watchful waiting in favor of a frontal attack.

About three weeks ago, it was reported from the capital of Nukulaeloa that Tonga had launched a mystery mission to Minerva. In charge was no less a personage than Tonga's 350-pound King Taufa'ahau Tupou IV. According to a government official, "His majesty has gone to have a look." But it was also established that the Tongan expedition was more than mere reconnaissance.

On board the vessel were 20 convict

laborers, a contingent of "defense" personnel and a cargo of what might be termed island-building equipment. As yet, there has been no visible reaction to Tonga's landing party from the Minervans themselves. They steadfastly maintain that their claim to the reefs is impeccably legal and absolutely valid under international law.

Mr. Oliver foresees the republic as a haven for as many as 10,000 who believe fervently that the 20th century world is headed rapidly for hell in a handbasket. "We want to build a society which will not repeat the mistakes all the others have made," says Mr. Oliver.

In the Minervans' view, the major "mis-take" organized society has made is that of inhibiting the economic freedom of the individual. Economic control by government leads to thought control, Mr. Oliver insists, and cites his visionary republic as "a moral defense of free enterprise."

The philosophical backdrop for this laissez-faire utopia has been prepared well in advance. The writings of anti-socialist Ludwig von Mises, author and teacher, provide the basic text. Another patron saint of the movement is American Ayn Rand, whose novels "The Fountainhead" and "Atlas Shrugged" elaborate the theme.

Whatever the final outcome, the Republic of Minerva has certainly enlivened the South Pacific scene during its first six months of history. At present, time and Tonga hold the keys to Minerva's future. "All we ask," says a New Zealand spokesman for the watery republic, "is to be left alone."

But the King of Tonga obviously has other ideas.

## PEOPLE:

How Yesterday Began

In Spokane in 1909

"I liked everything you said about motherhood," Mrs. John Bruce Dodd, of Spokane, Wash., told the minister after a Mother's Day church service, "but don't you think fathers deserve a place in the sun, too?" Since asked that question back in 1909, Mrs. Dodd, who recently celebrated her 80th birthday, has seen her wish to "give poor father a chance" develop into Father's Day, an event observed internationally on the third Sunday in June. Of that sermon long ago, Mrs. Dodd says, "It was full of adulation for motherhood. I began thinking of my mother who passed away in 1888 while I was yet a child. My thoughts naturally turned to my father who was left with the responsibility of rearing six children. He was a very strict, kind, real disciplinarian. But he was also a kind and loving parent who kept us together and happy."

Mrs. Dodd discussed her plan with her minister and the Spokane Ministerial Alliance and drew up a petition recommending adoption of a national Father's Day. The local YMCA "enthusiastically endorsed" the plan and set June 10, 1910, as the first Father's Day. The petition drew only two signatures. One group of men, asked to sign, laughed and suggested a national fishing day would make more sense. Mrs. Dodd recalled, "I was a bit surprised when they signed a toy post back seat, and the intent and purpose, we closed church. TV in 1910 had recorded the robbery and confronted the evidence, the women's bitterness.

It was more of an Elmer Rice had barged the Spokane band gong York's Metropolitan to week to see her son old Eddie Lewis, making appearance as a special "super" in "Aida." At the second act, however, Eddie, the lead soprano and was unable to cast General Manager had learning from Lewis. Eddie was in the audience, and perh

as he was in the audience, and perh

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